

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND

In re:

THE NEWPORT CREAMERY INC.  
Debtor

BK. 01-13196  
CHAPTER 7

**NOTICE OF INTENDED SALE**

1. Notice is hereby given by Andrew S. Richardson, trustee of the above-named debtor, of the intended sale of the debtor's interest in five (5) certain parcels of real estate free and clear of interests pursuant to §363 of the Bankruptcy Code.

2. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of FOUR HUNDRED THOUSAND AND NO/100 (\$400,000.00) DOLLARS all of the debtor's interest in certain real estate located at 781 Tiogue Avenue, Coventry, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "A". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

3. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of ONE MILLION THREE HUNDRED THOUSAND AND NO/100 (\$1,300,000.00) DOLLARS all of the debtor's interest in certain real estate located at 208 West Main Road and 29 Stockton Drive, Middletown, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "B". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

4. The trustee intends to sell to Credit Union Central Falls, or its nominee, for the price of FIVE HUNDRED FIFTY THOUSAND AND NO/100 (\$550,000.00) DOLLARS all of the debtor's interest in certain real estate located at 568 Putnam Pike, Smithfield, RI, in accordance

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with the terms of a purchase and sale agreement attached hereto as Exhibit "C". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

5. The trustee intends to sell to Jacky Kim Wah Ko, or his nominee, for the price of THREE HUNDRED FIFTY THOUSAND AND NO/100 (\$350,000.00) DOLLARS all of the debtor's interest in certain real estate located at 673 Smith Street, Providence, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "D". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

6. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of FOUR HUNDRED THOUSAND AND NO/100 (\$400,000.00) DOLLARS all of the debtor's interest in certain real estate located at 701 Fall River Avenue, Seekonk, MA, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "E". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

7. The proposed sale of the five (5) parcels of real estate are to be made free and clear of all interests, including but not limited to any mortgages, liens, claims and other encumbrances. Any mortgages, liens, claims and other encumbrances will attach to the proceeds of the sale.

8. At the closing of the proposed sale, customary costs of closing will be paid from the proceeds of sale in order to pass good and marketable title to the purchaser.

9. In addition, any statutory trustee's fees will be withheld from the proceeds of said

sale.

10. In the event that the amount to be paid for the properties is not enough to pay all mortgages, liens, claims and other encumbrances in full, said interests will be paid in the order of their recordation or priority as determined by the Bankruptcy Court.

11. Any objection to the proposed sale, or any request for a hearing thereon, must be filed in writing on or before 5:00 P.M. on Tuesday, October 15, 2002 with the Clerk of the United States Bankruptcy Court, 380 Westminster Mall, Providence, RI 02903. A copy of any objection must be served by said date on the trustee, Andrew S. Richardson, Esq., 182 Waterman Street, Providence, RI 02906. Objections must be in writing, give the above debtor's name and the case number and state that the party filing it has an interest in the case and the reasons for the objection. If an objection is filed, the Bankruptcy Court will schedule a hearing on the matter if it deems it necessary.

12. The trustee will entertain competing bids for the properties which the trustee proposes to sell. Such bids must be in writing and accompanied by a deposit of FIFTY THOUSAND AND NO/100 (\$50,000.00) DOLLARS and must be made in the form of a bank check, cashier's check or certified funds and must be made payable to "Andrew S. Richardson, Trustee". Any higher bid must be received by the trustee at the address below no later than 5:00 P.M. on Tuesday, October 15, 2002. Any higher bid must specify the property or properties which are the subject of the higher bid and must contain a separate bid for each parcel of property. The private sale will be consummated as proposed in this Notice on or after October 15, 2002 if no objections and/or higher bids are received as stated above.

13. If the trustee receives a higher bid in accordance with the provisions of paragraph 12, an auction among the proposed purchaser and any party submitting a higher bid in accordance with this notice and a hearing to confirm the sale will be scheduled by the Bankruptcy Court.



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Andrew S. Richardson, Trustee  
Boyajian, Harrington & Richardson  
182 Waterman Street  
Providence, RI 02906  
Tel. (401) 273-9600  
Fax. (401) 273-9605

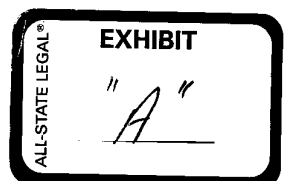
Within twenty (20) days after service as evidenced by the certification (twenty [20] days for U. S. Government officers and agencies thereof), and an additional three (3) days pursuant to Fed. R. Bank. P. 9006(f) if you were served by mail, any party against whom this paper has been served, or any other party to the action who objects to the relief sought therein, shall serve and file an objection or other appropriate response to this paper with the Bankruptcy Court Clerk's Office, 380 Westminster Mall, 6<sup>th</sup> Floor, Providence, RI 02903, (401) 528-4477. If no objection or other response is timely filed within the time allowed herein, the paper will be deemed unopposed and will be granted unless: (1) the requested relief is forbidden by law; (2) the requested relief is against public policy; or (3) in the opinion of the Court, the interest of justice requires otherwise.

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, PO Box 8819, Cranston, Rhode Island 02920 hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon located at 781 Tiogue Avenue (AP 37 Lot 113), Coventry, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Four Hundred Thousand (\$400,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Thousand (\$20,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred and Eighty Thousand (\$380,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without

reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and

the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.

17. **Entry on Premises:** Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. **Joint Effort:** The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. **Entire Agreement;** This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. **Further Action:** Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. **Expenses:** Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.



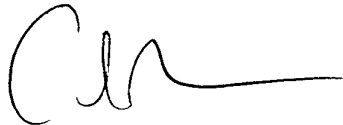
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

For:



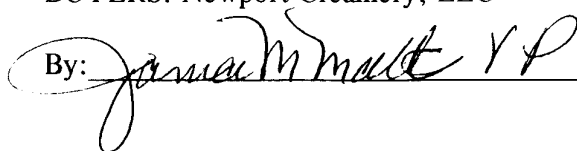
9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Newport Creamery, LLC

By:



9/10/02

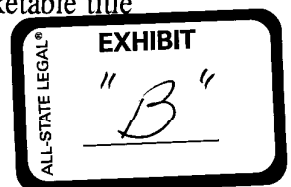
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, P.O. Box 8819, Cranston, Rhode Island 02920, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon located at, 208 West Main Road and 29 Stockton Drive (AP 108NW Lots 245 & 246) Middletown, Rhode Island.

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is One Million Three Hundred Thousand (\$1,300,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Sixty Five Thousand (\$65,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, One Million Two Hundred Thirty Five Thousand (\$1,235,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.
6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title



to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.

7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.

16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.

17. **Entry on Premises:** Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. **Joint Effort:** The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. **Entire Agreement;** This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. **Further Action:** Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. **Expenses:** Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

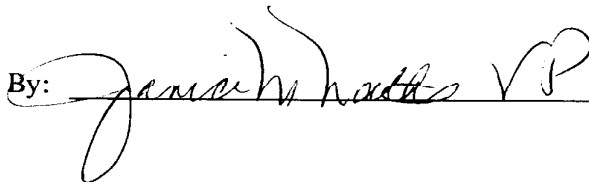
For: 

9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Newport Creamery, LLC

By:  VP

9/20/02  
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Credit Union Central Falls, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements situated thereon at 568 Putnam Pike, (AP 6 Lot 55), Smithfield, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Five Hundred Fifty Thousand (\$550,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Seven Thousand Five Hundred (\$27,500.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Five Hundred Twenty Two Thousand Five Hundred (\$522,500.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. **Title/Possession:** The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. **Water and Utilities: Adjustments:** To be pro-rated as of the date of Closing.
8. **Taxes:** Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately preceding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. **Assessments:** Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. **Notices:** All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. **Notices to Buyers:** Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.



12. **Seller's Inability:** If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.
13. **Default:**
- Buyer's Default:** Upon default by the Buyer, the Seller shall have the right to retain the deposit as liquidated damages.
14. **Condition of Premises:**
- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. **No Assignment; Nominees:** This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. **No Recording of Agreement:** The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.
17. **Entry on Premises:** Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. **Joint Effort:** The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. **Entire Agreement:** This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.

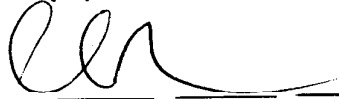
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.



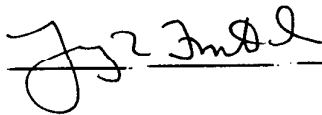
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals  
on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

 9/2/02  
\_\_\_\_\_  
By: Andrew S. Richardson, Trustee Date

BUYERS: Credit Union Central Falls

 9-18-02  
\_\_\_\_\_  
Date Date



Gary E. Furtado  
PRESIDENT

September 20, 2002

Mr. Peter Scotti  
Scotti & Associates  
246 Hope Street  
Providence, RI 02906

Dear Peter:

Per our conversation, please exclude the addendum to the Purchase and Sales Agreement which we signed on September 17, 2002 for property located at 586 Putnam Pike, Smithfield, RI.

Please contact the undersigned if you have any questions.

Very truly yours,

Credit Union Central Falls

A handwritten signature in dark ink, appearing to read "Gary E. Furtado", is written over the printed name.

Gary E. Furtado  
President/Treasurer

GEFdbm

693 Wadsworth Street  
P.O. Box 206  
Central Falls, RI 02863  
Tel: 401-725-1535  
Fax: 401-722-5360

3291 Mendon Road  
Cumberland, RI 02864  
Tel: 401-658-2650  
Fax: 401-658-3410

20 Dexter Street  
P.O. Box 629  
Pawtucket, RI 02860  
Tel: 401-723-8500  
Fax: 401-728-7991  
[www.cucf.org](http://www.cucf.org)

185 Front Street  
Lincoln, RI 02865  
Tel: 401-726-9115  
Fax: 401-725-5558

1280 Park Avenue  
Woonsocket, RI 02895  
Tel: 401-766-3310  
Fax: 401-762-5529

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Jacky Kim Wah Ko, 39 Riverview Drive, North Providence, Rhode Island 02904, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon at 673 Smith Street (AP 120 Lot 370), Providence, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Three Hundred Fifty Thousand (\$350,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Seventeen Thousand (\$17,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred Thirty Three Thousand (\$333,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.

12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as liquidated damages.

14. Condition of Premises:

A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things.

Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.

B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.



15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.
17. Entry on Premises: Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. Joint Effort: The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.

20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. ~~Buyer will hold harmless and indemnify and defend Seller and the Bankruptcy Estate for and from any and all costs, damages, expenses, fines, penalties and any liabilities whatsoever in connection with, relating to and/or arising out of any and all known and unknown site conditions existing on the PREMISES. This term shall survive the Closing and the delivery of the deed to the Buyer.~~

JK

27. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

For:

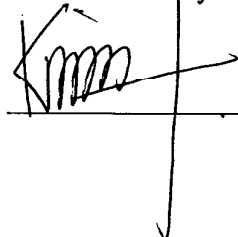


9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Jacky Kim Wah Ko



9/13/02  
Date

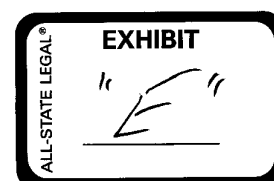
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, P.O. Box 8819, Cranston, Rhode Island 02920, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon at 701 Fall River Avenue (AP 8 Lot 40), Seekonk, Massachusetts (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Four Hundred Thousand (\$400,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Thousand (\$20,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred Eighty Thousand (\$380,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Massachusetts are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without

reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and

the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.


17. Entry on Premises: Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. Joint Effort: The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.

23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

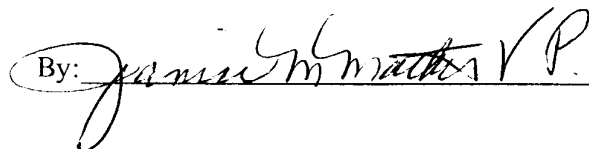
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Trustee for Newport Creamery, Inc.

 9/20/02  
By: Andrew S. Richardson, Trustee Date

BUYERS: Newport Creamery, LLC

By:  9/18/02  
Date



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND

In re:

THE NEWPORT CREAMERY INC.  
Debtor

BK. 01-13196  
CHAPTER 7

**NOTICE OF INTENDED SALE**

1. Notice is hereby given by Andrew S. Richardson, trustee of the above-named debtor, of the intended sale of the debtor's interest in five (5) certain parcels of real estate free and clear of interests pursuant to §363 of the Bankruptcy Code.

2. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of FOUR HUNDRED THOUSAND AND NO/100 (\$400,000.00) DOLLARS all of the debtor's interest in certain real estate located at 781 Tiogue Avenue, Coventry, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "A". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

3. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of ONE MILLION THREE HUNDRED THOUSAND AND NO/100 (\$1,300,000.00) DOLLARS all of the debtor's interest in certain real estate located at 208 West Main Road and 29 Stockton Drive, Middletown, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "B". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

4. The trustee intends to sell to Credit Union Central Falls, or its nominee, for the price of FIVE HUNDRED FIFTY THOUSAND AND NO/100 (\$550,000.00) DOLLARS all of the debtor's interest in certain real estate located at 568 Putnam Pike, Smithfield, RI, in accordance

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with the terms of a purchase and sale agreement attached hereto as Exhibit "C". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

5. The trustee intends to sell to Jacky Kim Wah Ko, or his nominee, for the price of THREE HUNDRED FIFTY THOUSAND AND NO/100 (\$350,000.00) DOLLARS all of the debtor's interest in certain real estate located at 673 Smith Street, Providence, RI, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "D". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

6. The trustee intends to sell to Newport Creamery, LLC, or its nominee, for the price of FOUR HUNDRED THOUSAND AND NO/100 (\$400,000.00) DOLLARS all of the debtor's interest in certain real estate located at 701 Fall River Avenue, Seekonk, MA, in accordance with the terms of a purchase and sale agreement attached hereto as Exhibit "E". [A copy of the purchase and sale agreement is on file with the Court or may be obtained upon request from the trustee, Andrew S. Richardson.]

7. The proposed sale of the five (5) parcels of real estate are to be made free and clear of all interests, including but not limited to any mortgages, liens, claims and other encumbrances. Any mortgages, liens, claims and other encumbrances will attach to the proceeds of the sale.

8. At the closing of the proposed sale, customary costs of closing will be paid from the proceeds of sale in order to pass good and marketable title to the purchaser.

9. In addition, any statutory trustee's fees will be withheld from the proceeds of said

sale.

10. In the event that the amount to be paid for the properties is not enough to pay all mortgages, liens, claims and other encumbrances in full, said interests will be paid in the order of their recordation or priority as determined by the Bankruptcy Court.

11. Any objection to the proposed sale, or any request for a hearing thereon, must be filed in writing on or before 5:00 P.M. on Tuesday, October 15, 2002 with the Clerk of the United States Bankruptcy Court, 380 Westminster Mall, Providence, RI 02903. A copy of any objection must be served by said date on the trustee, Andrew S. Richardson, Esq., 182 Waterman Street, Providence, RI 02906. Objections must be in writing, give the above debtor's name and the case number and state that the party filing it has an interest in the case and the reasons for the objection. If an objection is filed, the Bankruptcy Court will schedule a hearing on the matter if it deems it necessary.

12. The trustee will entertain competing bids for the properties which the trustee proposes to sell. Such bids must be in writing and accompanied by a deposit of FIFTY THOUSAND AND NO/100 (\$50,000.00) DOLLARS and must be made in the form of a bank check, cashier's check or certified funds and must be made payable to "Andrew S. Richardson, Trustee". Any higher bid must be received by the trustee at the address below no later than 5:00 P.M. on Tuesday, October 15, 2002. Any higher bid must specify the property or properties which are the subject of the higher bid and must contain a separate bid for each parcel of property. The private sale will be consummated as proposed in this Notice on or after October 15, 2002 if no objections and/or higher bids are received as stated above.

13. If the trustee receives a higher bid in accordance with the provisions of paragraph 12, an auction among the proposed purchaser and any party submitting a higher bid in accordance with this notice and a hearing to confirm the sale will be scheduled by the Bankruptcy Court.



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Andrew S. Richardson, Trustee  
Boyajian, Harrington & Richardson  
182 Waterman Street  
Providence, RI 02906  
Tel. (401) 273-9600  
Fax. (401) 273-9605

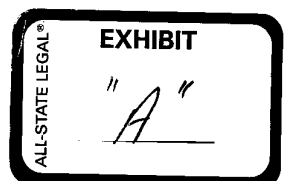
Within twenty (20) days after service as evidenced by the certification (twenty [20] days for U. S. Government officers and agencies thereof), and an additional three (3) days pursuant to Fed. R. Bank. P. 9006(f) if you were served by mail, any party against whom this paper has been served, or any other party to the action who objects to the relief sought therein, shall serve and file an objection or other appropriate response to this paper with the Bankruptcy Court Clerk's Office, 380 Westminster Mall, 6<sup>th</sup> Floor, Providence, RI 02903, (401) 528-4477. If no objection or other response is timely filed within the time allowed herein, the paper will be deemed unopposed and will be granted unless: (1) the requested relief is forbidden by law; (2) the requested relief is against public policy; or (3) in the opinion of the Court, the interest of justice requires otherwise.

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, PO Box 8819, Cranston, Rhode Island 02920 hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon located at 781 Tiogue Avenue (AP 37 Lot 113), Coventry, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Four Hundred Thousand (\$400,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Thousand (\$20,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred and Eighty Thousand (\$380,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without

reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

- 15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
- 16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and

the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.

17. Entry on Premises: Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. Joint Effort: The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.



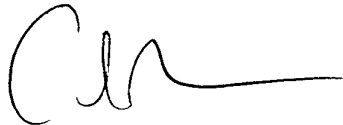
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

For:



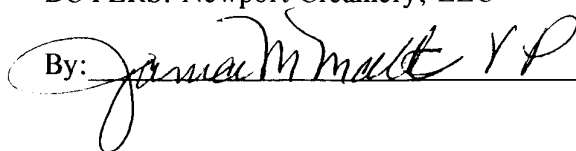
9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Newport Creamery, LLC

By:



9/10/02

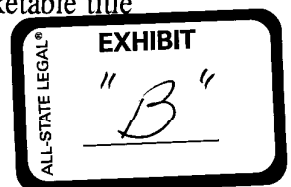
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, P.O. Box 8819, Cranston, Rhode Island 02920, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon located at, 208 West Main Road and 29 Stockton Drive (AP 108NW Lots 245 & 246) Middletown, Rhode Island.

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is One Million Three Hundred Thousand (\$1,300,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Sixty Five Thousand (\$65,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, One Million Two Hundred Thirty Five Thousand (\$1,235,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.
6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title



to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.

7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.

16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.

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19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.

24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

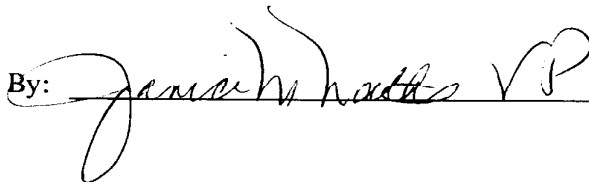
For: 

9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Newport Creamery, LLC

By:  VP

9/20/02  
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Credit Union Central Falls, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements situated thereon at 568 Putnam Pike, (AP 6 Lot 55), Smithfield, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Five Hundred Fifty Thousand (\$550,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Seven Thousand Five Hundred (\$27,500.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Five Hundred Twenty Two Thousand Five Hundred (\$522,500.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



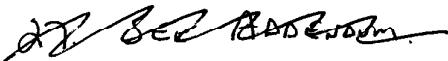
6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately preceding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.



12. **Seller's Inability:** If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.
13. **Default:**
- Buyer's Default:** Upon default by the Buyer, the Seller shall have the right to retain the deposit as liquidated damages.
14. **Condition of Premises:**
- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. **No Assignment; Nominees:** This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. **No Recording of Agreement:** The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.
17. **Entry on Premises:** Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. **Joint Effort:** The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. **Entire Agreement:** This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.

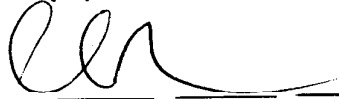
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.



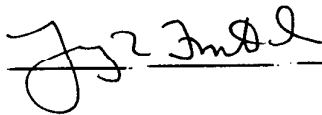
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals  
on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

 9/2/02  
\_\_\_\_\_  
By: Andrew S. Richardson, Trustee Date

BUYERS: Credit Union Central Falls

 9-18-02  
\_\_\_\_\_  
Date Date



**Gary E. Furtado**  
PRESIDENT

September 20, 2002

Mr. Peter Scotti  
Scotti & Associates  
246 Hope Street  
Providence, RI 02906

Dear Peter:

Per our conversation, please exclude the addendum to the Purchase and Sales Agreement which we signed on September 17, 2002 for property located at 586 Putnam Pike, Smithfield, RI.

Please contact the undersigned if you have any questions.

Very truly yours,

Credit Union Central Falls

A handwritten signature in black ink that reads 'Gary E. Furtado'.

Gary E. Furtado  
President/Treasurer

GEFdbm

693 Wroad Street  
P.O. Box 206  
Central Falls, RI 02863  
Tel: 401-725-1535  
Fax: 401-722-5360

3291 Mendon Road  
Cumberland, RI 02864  
Tel: 401-658-2650  
Fax: 401-658-3410

20 Dexter Street  
P.O. Box 629  
Pawtucket, RI 02860  
Tel: 401-723-8500  
Fax: 401-728-7991  
[www.cucf.org](http://www.cucf.org)

185 Front Street  
Lincoln, RI 02865  
Tel: 401-726-9115  
Fax: 401-725-5558

1280 Park Avenue  
Woonsocket, RI 02895  
Tel: 401-766-3310  
Fax: 401-762-5529

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Jacky Kim Wah Ko, 39 Riverview Drive, North Providence, Rhode Island 02904, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon at 673 Smith Street (AP 120 Lot 370), Providence, Rhode Island (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Three Hundred Fifty Thousand (\$350,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Seventeen Thousand (\$17,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred Thirty Three Thousand (\$333,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro-rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances.

12. **Seller's Inability:** If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.
13. **Default:**
- Buyer's Default:** Upon default by the Buyer, the Seller shall have the right to retain the deposit as liquidated damages.
14. **Condition of Premises:**
- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things.
- Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.



15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.
16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.
17. Entry on Premises: Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. Joint Effort: The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.

20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.
23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. ~~Buyer will hold harmless and indemnify and defend Seller and the Bankruptcy Estate for and from any and all costs, damages, expenses, fines, penalties and any liabilities whatsoever in connection with, relating to and/or arising out of any and all known and unknown site conditions existing on the PREMISES. This term shall survive the Closing and the delivery of the deed to the Buyer.~~

JK

27. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Bankruptcy Trustee for Newport Creamery, Inc.

For:

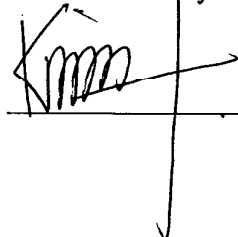


9/20/02

By: Andrew S. Richardson, Trustee

Date

BUYERS: Jacky Kim Wah Ko



9/13/02  
Date

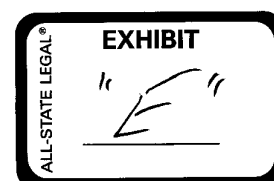
Date

## PURCHASE & SALE AGREEMENT

1. Agreement/Parties: Purchase and Sale Agreement made between Andrew S. Richardson, Bankruptcy Trustee for Newport Creamery, Inc., 182 Waterman Street, Providence, RI 02906, hereinafter referred to as Seller, and Newport Creamery, LLC, 35 Sockanosset Cross Road, P.O. Box 8819, Cranston, Rhode Island 02920, hereinafter referred to as Buyer.

The Seller agrees to sell and the Buyer agrees to buy, for the price and under the terms and conditions hereinafter enumerated, that certain parcel of land and all improvements thereon at 701 Fall River Avenue (AP 8 Lot 40), Seekonk, Massachusetts (the "Premises").

2. Date of this Agreement: The Date of this Agreement shall be the latter of (I) the date on which Buyer signs this Agreement, or (II) the date on which Seller signs this Agreement, as set forth immediately under the Buyer's and Seller's signatures below.
3. Purchase Price: The agreed purchase price is Four Hundred Thousand (\$400,000.00) Dollars to be paid as follows:
  - A. Upon the execution of this Agreement, the sum of Twenty Thousand (\$20,000.00) Dollars shall be paid to Seller by bank certified or bank cashiers check to be held in escrow by the Seller.
  - B. Upon closing, the balance of the purchase price, Three Hundred Eighty Thousand (\$380,000.00) Dollars shall be paid to Seller by Bank certified or bank cashiers check.
4. Closing Date: The Closing Date shall be forty five (45) days from the date of this agreement, but in no event shall it occur prior to eleven (11) days after entry of a Bankruptcy Court order approving this sale. The closing shall take place at 10:00 o'clock a.m. on the Closing Date, at the office of the Seller or at any other location upon which the parties agree.
5. Insurance: Seller shall keep the Premises insured, at its expense, until the delivery of the Deed, against loss by fire in the presently insured sum. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the purchase price in cash, that portion of the proceeds recovered on account of said insurance which, at the sole discretion of Seller, is fairly allocable to Premises, or the Buyer may, at its option, terminate this Agreement and the Deposit shall be refunded to the Buyer, unless the Seller shall have restored the Premises to its former condition.



6. Title/Possession: The Premises is to be conveyed by a good and sufficient Bankruptcy Trustee's Deed of the Seller, conveying good, clear and marketable title to the Premises free from all encumbrances, except restrictions and easements of record, municipal regulations, if any, the lien of any taxes or assessments not yet then due and payable, provisions of existing building, zoning and subdivision laws, rules, ordinances and regulations, and any facts which would be disclosed by a personal inspection or any accurate survey of the Premises. Full possession of the Premises is to be delivered to the Buyer at the time of delivery of the Deed, the Premises to be then in the same condition in which it now is, reasonable use and wear of the building thereon and damage by fire or other casualty excepted. The Buyer shall be entitled to a re-inspection of the Premises prior to delivery of the Deed in order to determine whether the condition of the Premises complies with the terms of this paragraph.
7. Water and Utilities: Adjustments: To be pro rated as of the date of Closing.
8. Taxes: Real Estate taxes assessed against the Premises as of December 31 of the calendar year immediately proceeding the calendar year in which the delivery of the Deed occurs are to be pro-rated, the Seller paying pro rata for the period from the beginning of the agreed upon adjustment year to the date of delivery of the Deed and Buyer paying or assuming the balance of these taxes. All other taxes which are a lien upon the Premises shall be paid by the Seller at the time of delivery of the Deed.
9. Assessments: Any assessments constituting a lien on the Premises which is payable over a period of more than one (1) year shall be apportioned in such manner that the Seller shall pay installments due during the calendar years prior to the year in which the Deed is delivered and the installments due for the year in which the Deed is delivered shall be apportioned in the same manner as provided for with respect to the Premises tax apportionment.
10. Notices: All notices as required in this Agreement must be in writing. All notices shall be by certified mail or by personal delivery. The certified letter will be effective upon sending. The personal certified letter will be effective upon delivery to the other party. Notices to the Buyer and Seller shall be addressed to the address that appears in Section 1 of this Agreement.
11. Notices to Buyers: Buyers of real estate in the State of Massachusetts are legally obligated to comply with all local real estate ordinances.
12. Seller's Inability: If the Seller is unable, after the exercise of reasonable diligence, to convey good title as provided for above, all payments made to the Seller under this Agreement shall be refunded and all obligations of either party hereto shall cease and the return of the deposit shall be the Buyer's sole remedy, at law or equity; provided, however, that the Buyer at its option may waive any defects and take such title as the Seller is able to convey, without warranty as to those defects and without

reduction of the purchase price, and the acceptance of a deed and possession by the Buyer shall be deemed a full performance and discharge hereof.

13. Default:

Buyer's Default: Upon default by the Buyer, the Seller shall have the right to retain the deposit as the sole liquidated damages.

14. Condition of Premises:

- A. Full possession of the Premises, with Tenants and Occupants presently legally in possession, if any, is to be delivered at the Closing in the same condition as it now is, reasonable wear and tear exempted. Buyer acknowledges that Buyer has inspected, has caused to be inspected, or will cause to be inspected, prior to closing, the Premises, is fully aware of its present condition, understands that the sale is without any representation or warranty of any type or nature express or implied (including without limitation the fact that no representations or warranties are being made in connection with the Premises, the condition of any improvements thereon, the soil condition, compaction or bearing ability thereof, any environmental or hazardous material condition, the income to be derived from the premises, or the compliance of the premises with any laws, rules, ordinances, or regulations), and is purchasing the premises as is, where is, and with all faults, without any obligation on the part of Seller to take any actions or do any things. Seller hereby disclaims all warranties with respect to the premises, including, without limitation, warranties as to merchantability, quality and suitability; and Buyer hereby waives any right to rescind or reform this Agreement before or after performance hereunder.
- B. The provisions of this Section 14 shall survive the Closing and the delivery of the deed.

15. No Assignment; Nominees: This Agreement may not be assigned by Buyer without the Seller's prior written consent, excepting however, that the assignee is an affiliated entity of Buyer.

16. No Recording of Agreement: The parties hereto agree that neither this Agreement nor any memorandum or notice thereof shall be recorded in any registry, land evidence records or other filing place. Buyer further agrees that the recording of this Agreement, or of any memorandum or short form thereof, by or at the instance of Buyer or any agent of Buyer shall constitute, at Seller's election, a default by Buyer hereunder. Upon Seller's giving notice of such default to Buyer, this Agreement shall terminate and be of no further force or effect except for those indemnities, if any, which expressly survive the termination of this Agreement, and

the recording of such notice shall be deemed sufficient and adequate notice to third parties that this Agreement is void and of no further force and effect.


17. Entry on Premises: Buyer and his employees, agents and independent contractors shall have the right, prior to conveyance of title, to enter the Premises at no charge to Seller for the purpose of making tests, surveys and obtaining other data so long as prior written notice is given and approved by Seller and the work is done without disturbing Seller or Tenants. Buyer agrees to restore any portion of the Premises disturbed to its prior condition. Buyer shall defend, indemnify and hold Seller harmless (which indemnity shall survive the termination of this Agreement and shall survive the closing) from any claims, including costs and attorney's fees, resulting from the acts of Buyer, its employees, agents or independent contractors during such entry(ies) and shall provide Seller with evidence of personal injury and property damage insurance in such form as may be reasonably acceptable to Seller. Buyer shall also provide Seller with mechanic's lien waivers for any party working on the Premises at the behest of Buyer. This provision shall survive any termination of this Agreement and shall survive the Closing and the delivery of the deed.
18. Joint Effort: The drafting of this Agreement represents the joint effort of Seller and Buyer, and nothing herein shall be construed or weighed more heavily against any of the parties on the basis that such party may have been responsible for the drafting of such provision.
19. Entire Agreement; This Agreement and the documents referred to herein contain the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and no modification hereof shall be effective unless in writing and signed by the party against which it is sought to be enforced.
20. Further Action: Each of the parties hereto shall use such party's best efforts to take such actions as may be necessary or reasonably requested by the other parties hereto to carry out and consummate the transactions contemplated by this Agreement.
21. Expenses: Seller agrees to pay for the cost of the Deed Stamps. Each of the parties hereto shall otherwise bear such party's own expenses in connection with this Agreement and the transactions contemplated hereby.
22. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island applicable in the case of agreements made and to be performed entirely within such State, but any and all disputes or controversies hereunder shall be decided by the U.S. Bankruptcy Court the District Rhode Island and Buyer consents to personal and subject matter jurisdiction of said Court.

23. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute on and the same instrument.
24. Real Estate Broker: The parties warrant to each other that Peter M. Scotti & Associates, Inc. is the only real estate broker involved in this sale and the Seller agrees to pay a commission to Peter M. Scotti & Associates, Inc. in the amount of five (5%) percent of the Sale Price if upon Closing of Sale, provided the U. S. Bankruptcy Court for the District of R. I. enters an order approving the payment of said commission.
25. This Agreement is conditioned upon approval by the U.S. Bankruptcy Court's authorization of this sale and Buyer understands that notice of this sale and a copy of this Agreement will be sent to all creditors of the Bankruptcy Estate and to all parties in interest per Federal Bankruptcy Rule 2002 and subject to competing bids.
26. This Agreement is contingent upon a Phase I Environmental Site Assessment to be performed at Buyer's expense, to be satisfactory to Buyer, to be completed within thirty (30) days from the execution date of this Agreement. If such Environmental Site Assessment is unsatisfactory, then Buyer, with written notice to Seller no later than the 30<sup>th</sup> day of this Agreement, with a copy of said Site Assessment report, shall have the right to terminate this Agreement and the deposit shall be returned to Buyer. If no notice is received within said time frame this contingency shall be deemed satisfied.

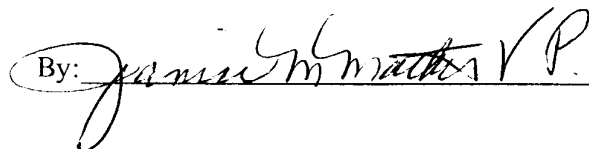
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date set forth beside their respective signature.

SELLER:

Andrew S. Richardson, in his capacity  
as Trustee for Newport Creamery, Inc.

 9/20/02  
By: Andrew S. Richardson, Trustee Date

BUYERS: Newport Creamery, LLC

By:  9/18/02  
Date